



Advanced Braking Technology Ltd

MEDIA/ASX RELEASE

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ABT GEARS UP FOR LAUNCH OF \$4M REFUSE TRUCK PROJECT AFTER SUCCESSFULLY COMPLETING TESTING

PHASE ONE OF MAJOR NEW GROWTH PROJECT NOW COMPLETE

Advanced Braking Technology "ABT" (ASX: ABV) has taken a major step towards commercialisation of its braking technology in the waste collection industry after today announcing that it has successfully completed the first phase of testing of its next generation garbage truck braking system.

The \$4 million project is designed to expand ABT's patented Sealed Integrated Braking System (SIBS) into a highly attractive new market sector. This represents a major growth opportunity for the Osborne Park, WA based Company beyond its existing market in the mining sector.

The application of the advanced enclosed wet braking system to garbage trucks, which has been in the design phase for the past year, has now achieved a significant technical milestone after prototype testing confirmed that the system meets key performance criteria, thus triggering the commencement of more detailed development and testing to ensure its full commercial and technical viability. ABT's patented technology is already widely used in the mining industry in Australia and overseas delivering cost, safety and environmental benefits.

As part of an intensive initial test session on a closed test track involving a range of tests, a fully laden SIBS brake equipped truck stopped in 61.90 meters from 100km/h when the Australian Design Rule (ADR35/02) maximum stopping distance from 100km/h is 102 meters. This was a deceleration rate of 5.97m/sec² which exceeded the minimum ADR requirement of 3.78m/sec².

Looking ahead, ABT will now embark on a 12-month comprehensive test and durability program to arrive at the "proof of concept" sign off. Achieving this milestone will lead to a pilot production run ahead of the full commercial release of the brake.

As part of the A\$4 million project, which is fully externally funded, ABT has been commissioned to develop a new generation brake for garbage trucks. The ABT truck brake has been designed to significantly reduce the maintenance cost of garbage truck brakes and also completely eliminate brake squeal and airborne particles from the brakes.

This is an important turning point in the development of the brake, which is designed for the mainstream market, providing ABT with new, long-term opportunities beyond the mining industry, which has been the Company's major market to date.

The technical progress of the brake development program is being externally monitored on behalf of ABT's customers by Dr Lindsay Dawson, a retired senior Ford engineering executive.

Dr Dawson, commenting on the recent achievement by ABT said: "At the current stage of development, ABT's truck brake is showing great promise. The recent testing confirms the basic validity of the design and demonstrates that the \$1 million invested in the concept design phase has been translated into a viable prototype design, which will provide an excellent base for reliability and durability testing."

ABT's Managing Director, Mr Ken Johnsen, added: "This is an extremely exciting stage for the Company, which points to an opportunity for ABT's products to enter a lucrative and recession-proof mainstream global market. Brake systems for the mining industry will remain an important part of ABT's business but will always be subject to demand fluctuations in tracking commodity fluctuations. The garbage truck market is a significantly larger opportunity with large fleets of trucks in major cities across the world."

Sealed Integrated Braking System (SIBS) – Commercial Application

The Sealed Integrated Braking System (SIBS) is a patented single disc enclosed wet brake used by the world's major mining companies in the harshest environments, ranging from diamond mines in the arctic, gold mines in tropical jungles to uranium mines in the deserts.

ABT has recognised that there is a massive market for the braking system in the mainstream market and in particular garbage trucks, which operate in similar harsh conditions as mining vehicles.

One of the costliest factors in operating a typical garbage truck is brake maintenance, as these vehicles apply their brakes over half a million times per annum during normal service. As a consequence, they suffer from very high brake wear rates which also generate increased levels of particle emissions. As with most fine particles, such emissions are of growing concern to health professionals and governments worldwide and may be subject to new regulations being considered by the US Environmental Protection Agency.

A common complaint with garbage trucks in service is the brake noise or squeal associated with the frequent stopping.

The SIBS garbage truck brake has been designed to offer:

- a much reduced operating cost;
- eliminate both noise and particle emission pollution; and
- provide operators a tangible economic benefit for adopting the product.

Published data indicates there are over 200,000 garbage trucks in service in North America and Europe alone. Annual sales of garbage trucks in North America and Europe amount to 20,000 units per annum. Large cities such as New York and Bangkok each have over 6000 garbage trucks in service.

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Background Information – Advanced Braking Technology Ltd (ASX: ABV)

Perth-based Advanced Braking Technology Ltd (ASX: ABV) is dedicated to innovative braking systems. The Company's key asset is the Sealed Integrated Braking System (SIBS™), a comprehensively patented Australian invention.

SIBS™ is a fully enclosed, single rotor, high speed wet brake. The brake rotor runs in a bath of oil that serves to cool the brake and minimize wear at the braking interface. An innovative fail safe feature is incorporated into the rear axle brake. As a result, the brakes are virtually wear and maintenance-free and may outlast the vehicles they are fitted to, unlike conventional drum and disc brakes. SIBS™ brakes deliver unparalleled safety, improved productivity and lower operating costs, and are engineered to survive the world's harshest conditions.

The proven technology is also environmentally friendly, eliminating brake dust emissions and noise and squealing, and provides a wide-range of benefits for on-road, off-road and industrial applications in terms of safety, reliability, performance and adaptability.